FEATURES OF THE MIDSUMMER REAL ESTATE MARKET

FAMINE IN CITY APARTMENTS CAUSES SHARP RENT ADVANCE

Few New Houses to Meet Largely Increased Demand—No Concessions Being Granted—War Agents Pay High for Largest and Finest Suites

If you have an idea that you will remove this fall to another apartment, and you have not yet leased the new suite, you had better start to-day or else decide to remain where you are, for the supply for rent this fall is so limited that you probably will not find what you want even at higher rentals than you are paying. One broker, Max N. Natanson, said yesterday that the supply of vacant apartments is so small that families that put off taking homes for four or five weeks more probably will find themselves without any homes at all.

That the apartment shortage is not imagined is indicated in generally increased rentals and in a refusal to grant any concessions whatever to either new or old tenants. The rental increase is the first recorded in New York in about five years, and affects practically all grades of apartments in all parts of the city. In Manhattan it ranges from an increase of $5 to $10 in suites renting formerly for $15 to $70, to as much as 5 per cent. in houses where rentals of an high as $2,900 are obtained. In the more expensive houses, those where apartments are offered at $4,000 or more and where the owner has been in the habit of taking about 10 per cent. less, the quoted rates are firmly held, and no compromise is made on the basis of three months or other concessions.

This all is the result of two things; first, a decided decrease in apartment house production during the last year, and, second, a largely increased demand for apartment homes. Both conditions may be attributed to the war in Europe.

Builders found themselves at the beginning of the year in possession of splendid plots for apartment house improvement, but confronted by increases of from 20 to 40 per cent. in the cost of building materials. Steel, brick, cement, hardware and lumber truly were "sky high," so high, in fact, that to use them at prices then quoted would have necessitated increasing rents proportionally. Not many builders dared to take the chance, for they feared that a drop in material costs at the end of the war would leave them with more expensive structures than they could handle in competition. Since the first part of this year many building material have continued to advance in price, and with comparatively few exceptions builders have put off indefinitely erecting structures for which they have purchased sites, prepared plans and obtained financial backing. Those who now have started operations obtained their sites at such low cost that their completed houses will not lift the above the average. None are so daring as even to go ahead despite high land and material cost.

Practically all of Manhattan's new apartment construction this year has been on or near West End avenue, in the vicinity of Park avenue and on upper Washington Heights. Most of these buildings are made of materials purchased before the European war caused such a shortage of labor and material as to send prices high. But builders of some of these houses who did not buy early found after they had started that material prices had advanced to such extent that the completed buildings represent an increase of as much as 20 per cent. over first estimated costs.

Brokers report that the increased demand for apartments, especially those costing $2,000 a year or more, has a great deal to do with the shortage at this time. Asked if the war really had made much difference in apartment renting, every broker said that the increase in local population on account of conditions abroad was one of the factors in the present condition. It was pointed out that the city has gained residents from two sources. There are those who have fled from the war countries, and their number is placed at many thousands, and those who have located in New York because of business here dependent on the war. The latter class, brokers say, are the people with money and the ones who are taking the great, expensive apartments. They make the renting of twelve, fourteen and sixteen room suites at from $10,000 to $16,000 easy work. One broker said yesterday that the great trouble this year is to find people who want only the most costly flats.

Douglas L. Elliman & Co, who are in close touch with renting conditions on the East Side, tell of one house on Park avenue with thirty-two apartments of from fourteen to eighteen rooms totally rented from the plans before the building was completed, and another of thirty apartments of thirteen to eighteen room in which only four of the thirteen room

suites were unrented when the house was completed. They said that many people, fearing an apartment shortage this year, started house hunting early, and that the supply is now smaller than it has been in years. Even at the start of the renting season instead of being able to show a prospective tenant six or eight apartments of an average cost the most they could show was three or four.

The Elliman company's representative said that among the French and English people who have taken apartments here the average lease is for two or three years. Most of the families have children in them, and though the elders expect the war to be over within a year they are taking apartments for longer periods because they do not intend to take their children back to Europe until living has been made safe and comfortable there.

The F. R. Wood, W. H. Dolson Company, who control many West side apartments, report quite different conditions among foreign refugees living in the less costly apartment houses. They say there are many such families and that they have helped to cause congestion and high rentals, but they demand leases for not more than one year, expecting the war to be over by then, when they will hurry back home. As an illustration of conditions on the West Side, Max Natanson told of having nineteen apartments under his management where rentals are as high as $1,000 to $1,200 a year, in which there are but four vacancies. He said that 90 per cent. of his tenants have renewed their leases, a most extraordinary condition. Infantile paralysis, Mr. Natanson continued, has helped to keep tenanted most of the apartments throughout the city renting for from $25 to $50 a month, the tenants hesitating to move for fear of getting into sections where the scourge is prevalent.

In five years there has been so much scramble for apartments as there is to-day, according to Mr. McFarlan of the Wood, Dolson Company. Five, an seven room apartments, he said, are almost unobtainable on the West Side, though such apartments are now being proportionally higher than larger flats, and at higher rentals than ever before. Concessions of every form have been eliminated and in many houses on the middle and upper West Side advances have been made in rentals of as much as 5 per cent. Practically the only new supply of houses on the old West Side is the few new structures on and near West End avenue. These are practically rented out. Mr. McFarlan said that removals this year will be less than for ten years. In every quarter the outlook in the furniture moving business is most discouraging.

LABOR AND COST HALT FLAT BUILDING

Decrease in Number This Year, While Cost Goes Up 20 Per Cent.

Cost of material and conditions in the labor market are reflected in the report of the Tenement House Department, which shows that though there was a decrease of nearly 33 per cent. in the number of houses planned during the last three months the cost of constructing them is $4,413,600 greater than for the larger number last year. The report also shows that Brooklyn leads Manhattan in the number of tenement houses it contains by 6,304.

During the quarter which ended June 30 plans were filed for $24,805,500 worth of new tenements for Greater New York as compared with $20,481,900 for the corresponding period of last year.

A remarkable increase appears in the valuation of tenements planned in Manhattan during this quarter as compared with the same quarter last year. During the last quarter $18,741,090 worth of tenements were planned for the Borough of Manhattan, while for the same period last year $5,212,000 worth were planned. This it may be said that many of the plans were rushed to forestall the operations of the zoning and heights resolution the plans also seem to be filed in good faith. Delay in

place which she occupied. She and her family hurriedly left the place. The owner of the property sued, and the defence of the tenant was that the queer feeling which came over his wife resulted in rapid loss of health. The Judge upheld him, following an old English law which permits the breaking of a lease on a haunted house.

Most of the block between First and Second avenues, Eleventh and Twelfth streets, is vacant. Years ago it was a Catholic burying ground. Five years ago the Catholic authorities of this diocese placed it on the market and an Italian builder arranged to buy it, being in a section populated by Italians. The day before the deal was to be closed the Italian builder heard that the property he was about to buy was once a graveyard. Italians in the neighborhood had known its history for years and always passed the place displaying a mixture of dread and respect.

The builder called off the deal on no amount of persuading could get him interested again. Neither reduction in price nor liberal terms would bait him into building on the old graveyard.

TO SAVE CITY FROM ITSELF.

Court to Be Asked to Prevent City From Buying Own Realty.

Stewart Browne, president of the United Real Estate Owners Association, has decided to seek the aid of the courts to prevent the city from squandering money in the purchase of property which Mr. Browne says already is owned by the city. Mr. Browne said: "The city owns property worth over $50,000,000 which has been illegally taken possession of by corporate and other squatters and has never endeavored to get the slightest degree to regain actual possession of its own property.

"The State protects State ownership of land between high and low water and land under water, and is now engaged in removing squatters who have taken possession of the Coney Island waterfront.

"The city has never protected city ownership, but by its inaction has connived at its being taken by corporate and other squatters. The city has paid millions of dollars for its own property and the city is now engaged at the Brooklyn Marginal Railroad classification yard and on the West Side water front in proposing to pay millions for property actually owned by the city."

BIGOTRY ENDS REALTY DEALS.

Spooks Break Lease on Dwelling and Builder Refuses Grave Yard.

Superstition always could find a place in the affairs of real estate men. Deals are going to smash every day for no reason other than an overabundance of belief in supernatural things. Spooks have just been responsible for breaking a lease in Kansas, and what is more the court upheld the tenant.

Several years ago the owner of the house, who had been divorced from his wife, was shot and killed by his daughter, who aimed the pistol at the dwelling to see her mother. Some time after the house was rented, and in a short time the occupants were divorced. It was rented a second time and again a divorce followed. The wife of the third tenant complained of a strange feeling which possessed her while in the house. Neighbors who had been watching the effect of the evil influence on the new tenants met the woman of the house one day and disclosed the history of the

WASHINGTON SQUARE HOMES GIVE PLACE TO APARTMENT HOUSES

Builders Break Into Quiet Old Section Induced by Low Prices—Beginning Seen of Movement to Build There City's Finest Flat District

The opinion of a real estate sage that Washington Square would be eventually one of the finest apartment house sections of the city, and that every dollar invested there now would bring two dollars in return a few years later does not seem to be as radical now as when uttered a year ago. The course which events have taken three points to just such conclusions. Apartments aplenty have been planned for sites fringing the staid old square since last summer. Some of these houses, it is said, will compare in design, construction, arrangement and comfort with many apartment buildings along Park avenue and through the West End section, which represent the highest development in apartment construction. Some other of the buildings designed for Washington Square and its environs are of a type which could not be developed with success in any other section of the city but Washington Square, referred to often as New York's Latin quarter. Some are of the character that will result in the producing of the highest type of apartment structure to be found anywhere in New York.

"Inactive for years, builders at the lower end of Fifth avenue have not kept pace with other sections of the city," he continued, "for the reason that there was nothing to warrant such a movement. No one cared to buy there, for its was not conveniently located as regards amusement, shopping and home sections of the city. Fear of invasion by factories of the cheaper kind daunted any desire to buy for speculation or investment in that part of the city until about three years ago. But it is only within the last twelve months that the speculative and investment possibilities of the locality have dawned on real estate men to any noticeable extent. In the last fifteen months more than a dozen apartment operations have been put on record, not to speak of the numerous alterations of dwellings for studio apartments. A dozen new buildings for another section would be deserving of little attention, but when things happen in old Washington Square, a location which has resisted with greatest tenacity the disturbing of the old character of its environs, then it is a different matter entirely. It is remarkable since it means the partial breakdown of a wall of sentimentality that was stronger even than the one which for many years protected old Greenwich Village, its next door neighbor, from foreign invasion, or in other words from buildings of the radical type which included multifamily houses.

It may not be generally known, but Washington Square dwellers have been most successful in controlling the residential character of their section. Though it is out of the direct line of transit, invaders had to be resisted very often by the section's defenders. But the influences of war often are irresistible and as remote as sedate old Washington Square is from the seat of the great struggle it did not escape. Washington Square is one of several sections of the city whose real estate has been stimulated by the continuation of the war Park avenue, the West Side and Washington Heights are a few of the others. The war has disrupted Europe's commercial system. There is no time or attention given to anything but preparation for war. America is the premier of the commercial centre of the world. Warring nations as well as those who have not entered the struggle are buying here. New York is the centre of this great and varied business. To attend in a great force of men and women have either come or been called to New York from far and wide. Concerns have left their old country centres to locate here, bringing with them their employees and their families. With this population has come prosperity which has been liberally distributed. Increased fortunes and salaries and better facilities. Park avenue's fine apartments is said to be far below the demand, even though prices there range from $5,000 to $10,000 and $15,000 a year. Every one cannot pay Park avenue prices. There is a considerable greater number who can pay from $700 to $1,500 a year in rent. It is the demand for moderate priced apartments which has led builders into the old Washington Square section.

Washington Square is one of the few sections of the city which have not been exploited by apartment builders. The statement has been made that of the old section are, comparatively speaking, the lowest in the city to-day. It is this which has led builders to offer for likely sites in the Washington Square neighborhood prices than are considered good by owners. The advantage of a cheap site to a builder can readily be estimated. It gives him the opportunity of putting more into the house and not charging rents that will meet the purse of many. William Lustgarten says that the houses he is erecting on the Long street estate property, at 115 to 137 West Sixteenth street, will equal in appoint

distinguish that section from all other localities of cosmopolitan New York.

Returning to the real estate question, for his views on real estate cannot be accepted lightly, since he has been a master adviser on such matters for years, we find that he considers the current development of the square is only a temporary one.

"Before it has progressed far," he said, "it will be augmented by the invasion of the best builders in town, who will be attracted to the section by low prices and the exceptional transit facilities which the new dual system will give that part of the city. With them will come ideas which will result in the producing of the highest type of apartment structure to be found anywhere in New York.

The Lustgarten houses, the John Alden, which is going up at 42 to 46 West Tenth street, and the fourteen story studio building at the southeast corner of Washington Square and Thompson street, are the three most important operations that have been planned for the old section. They represent an investment of more than $1,000,000, exclusive of the cost of the land.

The Washington Square and Thompson street building is expected to be one of the finest buildings that have been planned for that section, and when finished it will compare with many of the best uptown apartment structures. Fourteen stories high, it will front 70 feet on the square and 154 feet on Thompson street. It will be of terra cotta and brick, built in the Gothic design and will cost $400,000 to complete. With the cost of the site and other incidentals of the operation the project will stand the Washington Square Studios Company, a group of well known artists, $150,000. It is the tallest apartment ever planned for the city. The next tallest is the fifteen story building which Joseph Finn erected some years ago at the northeast corner of Fifth avenue and Eleventh street, which for a long time did not prove a great success.

The Alden will be nine stories and will cover 64 feet of frontage on Tenth street, not far from Sixth avenue. Herman Schreeber of Brookline, Mass., bought the property on the advice of William A White & Son and it will be the improvement. Though the house will not be ready until next year, announcement is made that several of the three and four room suites which at the Seattle already have been leased which indicates a demand that will consume quickly the supply of apartments that will be erected in that section between now and next summer.

Two more houses have been planned recently for Eleventh street and two for Twelfth street. At the corner of Waverley place and Eleventh street an $11,500 apartment is to be erected by Samuel Lipman, and at $07 and 209 West Eleventh street, which is just west of Greenwich avenue, Pagliano & Clemens are to build an apartment house whose plans call for a price mid to above the $100,000. He will erect two six story flats at a cost of $199,000. The house at 20 West Twelfth street has three apartments which were made over for apartment purposes some time ago. They present such a success that a good profit was paid for the control of the house last October.

SKYSCRAPER'S LIFE ALMOST ENDLESS

Investigation of Chicago Building Shows It Could Stand for Centuries

"What is the life of a steel frame building? When these structures were first erected a little more than a quarter of a century ago, many predicted that the steel would rust, and within ten or fifteen years the conditions of the big buildings would become dangerous. But there now are standing a number of buildings more than twenty-five years old constructed on the steel frame style, with the weight supported by the skeleton, and the walls merely a screen. These buildings are in good condition. Practically as solid and substantial as when they were built. But because of the wide use of the steel frame in the construction of the newest and most massive of buildings the question arose as to how long such a type of structure might reasonably be expected to stand.

Heilman & Long, architects of Chicago, made an investigation of the Champlain Building, the northwest corner of State and Madison streets, Chicago, which was torn down recently, according to the Stone Buyers Magazine, to ascertain the condition of the framework a old experience, standing steel frame building will last for hundreds of years.

The Champlain Building was constructed in 1894 or 1895 so for fourteen or fifteen years the steel frame was practically unaffected by rust, the protective covering being effective under the practical tests.

When the building was torn down after standing for nearly a quarter of a century and the steel was practically unaffected by rust. The conditions of this building seems to indicate that the exclusion of moisture is essential for the preservation of the steel and also of the parts of the framework of a building which are most subject to that element.

Some Well Located Upper West Side Houses That Still Have Comfortable Apartments To Offer

MAJESTIC
·145TH ST. and ST. NICHOLAS AVE·
7 and 8 ROOM APARTMENTS
·M·N·NATANSON, OWNER·

SOUTHEAST CORNER 156TH ST. and BROADWAY
4 and 6 ROOM APARTMENTS
OVERLOOKING HISPANIC MUSEUM.

GREYTON COURT
·141ST ST. and RIVERSIDE DRIVE·
3-5-6 and 7 ROOM SUITES
·BEN WINTER, RESIDENT MGR·

·The· OVERLOOK·
·802 WEST 181ST STREET·
·4· and 9 ROOM SUITES·

Tallest of Hotels May Rise on Broadway Site

One of the eleventh hour plans filed to beat the zoning and height restriction recently passed by the Board of Estimate called for a thirty-nine story hotel to cover the southwest corner of Broadway and Forty-eighth street, a plot 51x128.4. This is a picture of it made by the architect, C. E. Horn. The site is just north of the Strand Theatre and is owned by the Silk Realty Company, one of the corporations of Samuel K. Jacobs. Mr. Jacobs does not say when he will start construction.